

Product Note

HSBC Asia Pacific (Ex Japan) Dividend Yield Fund

An Open Ended Fund of Funds Scheme investing in HSBC Global Investments Fund - Asia Pacific Ex Japan Equity High Dividend Fund.

January 2024

Fund Category	Fund Manager	Benchmark ¹	Inception Date	AUM &
Fund of Funds (Overseas)	Sonal Gupta [#]	MSCI AC Asia Pacific ex Japan TRI	24 Feb 2014	Rs. 6.99 Cr

Risk Ratios²

Standard Deviation

14.81%

Beta

0.80

Risk Ratios²

Sharpe Ratio³

-0.29

R2

0.85%

Investment Objective

HSBC Asia Pacific (Ex Japan) Dividend Yield Fund (Fund of Fund)

To provide long term capital appreciation by investing predominantly in units of HSBC Global Investment Funds (HGIF) Asia Pacific Ex Japan Equity High Dividend Fund (HAHDF). The Scheme may also invest a certain proportion of its corpus in money market instruments and / or units of liquid mutual fund schemes, in order to meet liquidity requirements from time to time. However, there can be no assurance or guarantee that the investment objective of the scheme would be achieved.

Underlying fund strategy

- Dividends remain a key driver of long-term total return in Asia
- Aim to Investing in high dividend stocks is a good long term strategy
- Aims to invest in companies with quality management and strong cash flows
- Focus on quality businesses offering attractive dividend yields
- Follows environmental, social and governance principles
- Combination of defensive, cyclical and growth companies to generate income and total returns.
- Structured investment process – seeking to identify mispriced stocks at attractive valuations.
- Key focus on stock selection, while managing sector exposures
- A focus on total return while managing portfolio risk

Who can benefit from this fund?

- Investor who wish to have geographical and sectorial diversification

Entry Load*: Not Applicable, Exit Load: In respect of each purchase / switch-in of Units, an Exit Load of 1% is payable if Units are redeemed / switched out within 1 year from the date of allotment. No Exit Load will be charged, if Units are redeemed / switched-out after 1 year from the date of allotment. The exit loads set forth above is subject to change at the discretion of the AMC and such changes shall be implemented prospectively. *In terms of 10.4.1.a. of SEBI Master Circular on Mutual Funds dated May 19, 2023. no entry load will be charged to the investor effective August 1, 2009. Month End Total Expenses Ratios (Annualized)⁴ – Regular⁵: 2.03%, Direct: 1.63%

¹ As per clause 1.9 of the SEBI Master Circular dated May 19, 2023, on 'Guiding Principles for bringing uniformity in Benchmarks of Mutual Fund Schemes' has introduced two-tiered structure for benchmarking of certain categories of schemes. Accordingly, the benchmark has been classified as Tier 1 benchmark. Furthermore, the same is effective from 01 December 2021

² Statistical Ratios disclosed are as per monthly returns (Annualized) for the last 3 years.

³ Risk free rate 6.90% (FIMMDA-NSE MIBOR), ⁴ TER Annualized TER including GST on Investment Management Fees

⁵ Continuing plans.

⁶For disclosure of quarterly AUM/AAUM and AUM by geography, please visit our website: <https://www.assetmanagement.hsbc.co.in/en/mutual-funds/investor-resources/information-library/#&accordion1446811090=4>.

Note: The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content to buy or sell any stocks / investments. The Fund/portfolio may or may not have any existing / future position in these sector(s)/stock(s)/issuer(s).

Source – HSBC Mutual Fund, Data as of 31 December 2023. Past performance may or may not be sustained in the future and is not indicative of future results.

[#] Sonal Gupta is dedicated fund manager for investments in foreign securities by all the schemes of HSBC Mutual Fund.

Fund of Fund (FOF) Note - The investors are bearing the recurring expenses of the scheme, in addition to the expenses of other schemes in which the Fund of Funds Scheme makes investments.

A_HGIF ASIA P EX JP EQ HD(M EX HED) – Monthly Commentary

At sector level, stock selection was positive for the month. Positive performance came from Communication Services and Consumer Staples, though this was offset by negative stock selection in Industrials and Financials.

At country level, stock selection was positive for the month. Positive performance came from mainland China and Taiwan, though this was offset by negative stock selection in Korea and India.

mainland China Communication Services security, TENCENT HOLDINGS LTD with total effect 0.59% is the top contributor. Additionally, Hong Kong (SAR) Consumer Staples security, LOCCITANE INTERNATIONAL SA was the second largest contributor with total effect 0.35%. Australian Energy security, SANTOS LTD also contributed with total effect 0.28%.

On the other side, detractors included mainland China Consumer Staples security TINGYI (CAYMAN ISLN) HLDG CO with total effect -0.31%, mainland China Financials holding, PING AN INSURANCE GROUP CO-H with total effect -0.20%, and mainland China Communication Services holding, BAIDU INC-CLASS A with total effect -0.20%.

During this period, no positions were opened.
Positions were closed in POWER GRID CORP OF INDIA LTD.

Sector and Country allocation effects are residual to stock selection. At a country level, effects were positive, given an overweight exposure to mainland China. At sector level, effects were negative, given an underweight exposure to Communication Services.

HSBC Asia Pacific (Ex Japan) Dividend Fund of Fund

An Open Ended Fund of Funds Scheme investing in HSBC Global Investments Fund - Asia Pacific Ex Japan Equity High Dividend Fund.

Portfolio

Issuer	Industries	% to Net Assets
Mutual Fund Units		97.44%
HSBC GIF ASIA PACIFIC EX JAPAN EQ HD S9D	Overseas Mutual Fund	97.44%
Cash Equivalent		2.56%
TREPS*		3.99%
Net Current Assets:		-1.43%
Total Net Assets as on 31-December- 2023		100.00%

Asset Allocation

International - Mutual Fund Units	97.44%
Reverse Repos/TREPS	3.99%
Net Current Assets	-1.43%
Total Net Assets as on 31-December-2023	100.00%

*TREPS : Tri-Party Repo Data as on 31 December 23

A_HGIF ASIA P EX JP EQ HD(M EX HED) – Quarterly Commentary

At sector level, stock selection was negative for the quarter. Positive performance came from Industrials and Information Technology, though this was offset by negative stock selection in Financials and Consumer Staples.

At country level, stock selection was negative for the quarter. Positive performance came from Taiwan and Indonesia, though this was offset by negative stock selection in Australia and mainland China.

Korean Industrials security, SK SQUARE CO LTD with total effect 0.75% is the top contributor. Additionally, Taiwan Information Technology security, MEDIATEK INC was the second largest contributor with total effect 0.61%. mainland China Communication Services security, TENCENT HOLDINGS LTD also contributed with total effect 0.44%.

On the other side, detractors included mainland China Consumer Staples security TINGYI (CAYMAN ISLN) HLDG CO with total effect -0.90%, mainland China Financials holding, PING AN INSURANCE GROUP CO-H with total effect -0.85%, and mainland China Communication Services holding, BAIDU INC-CLASS A with total effect -0.75%.

During this period, positions were initiated in QUANTA COMPUTER INC, SINGAPORE TELECOMMUNICATIONS, WISTRON CORP, and CHROMA ATE INC.
Positions were closed in POWER GRID CORP OF INDIA LTD, KINSUS INTERCONNECT TECH, IND & COMM BK OF CHINA-H, and HYUNDAI MOTOR CO.

Sector and Country allocation effects are residual to stock selection. At a country level, effects were positive, given an overweight exposure to mainland China. At sector level, effects were negative, given an underweight exposure to Communication Services.

Stock specific information provided above is based on Portfolio details as on December 31, 2023. The scheme may or may not have future positions in this stock. The above should not be construed as an investment advice or research report or recommendation to buy or sell any stock mentioned above. Past performance may or may not sustain and doesn't guarantee the future performance.

Data as on 31 December 2023, Source – HSBC Asset Management

PUBLIC

HGIF Global Asia Pacific ex Japan Equity High Dividend Underlying Fund

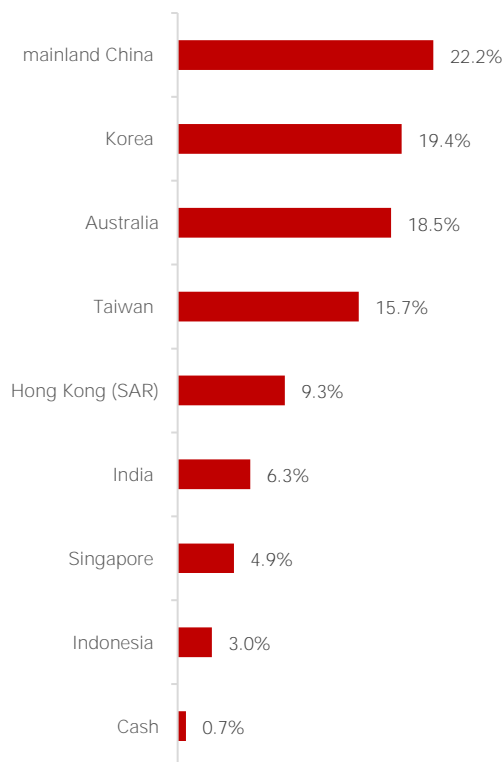
Portfolio

Instrument	Weight (%)
TAIWAN SEMICONDUCTOR CO LTD	9.3%
SAMSUNG ELECTRONICS CO LTD	7.8%
BAIDU INC-CLASS A	4.5%
TINGYI (CAYMAN ISLN) HLDG CO	4.2%
SANTOS LTD	4.1%
SK SQUARE CO LTD	4.1%
SOUTH32 LTD	3.9%
PING AN INSURANCE GROUP CO-H	3.9%
L'OCCITANE INTERNATIONAL SA	3.8%
AIA GROUP LTD	3.8%
NATIONAL AUSTRALIA BANK LTD	3.8%
DBS GROUP HOLDINGS LTD	3.8%
TELSTRA CORP LTD	3.4%
BHP GROUP LTD	3.2%
TELKOM INDONESIA PERSERO TBK	3.0%
KB FINANCIAL GROUP INC	2.9%
CHINA STATE CONSTRUCTION INT	2.9%
ALIBABA GROUP HOLDING LTD	2.7%
MEDIATEK INC	2.6%
UNI-PRESIDENT CHINA HOLDINGS	2.6%
SK TELECOM	2.5%
HDFC BANK LTD-ADR	2.2%
HYUNDAI MARINE & FIRE INS CO	2.1%
INFOSYS LTD	1.7%
QUANTA COMPUTER INC	1.6%
HONG KONG EXCHANGES & CLEAR	1.6%
CHINA CONSTRUCTION BANK-H	1.5%
MINDSPACE BUSINESS PARKS REI	1.4%
SINGAPORE TELECOMMUNICATIONS	1.1%
UNITED MICROELECTRONICS CORP	1.1%
INDIA GRID TRUST	1.0%
WISTRON CORP	0.6%
CHROMA ATE INC	0.4%
Cash	0.7%
Total	100.00%

Sector Allocation (%)

Name	End Weight
Financials	25.7%
Information Technology	25.1%
Communication Services	14.4%
Consumer Staples	10.6%
Materials	7.1%
Industrials	7.0%
Energy	4.1%
Consumer Discretionary	2.7%
Real Estate	1.4%
Utilities	1.0%
Cash	0.7%

Weighting - Country



Data as on 31 December 2023, Source – HSBC Asset Management

Note: The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content to buy or sell any stocks / investments. The Fund/portfolio may or may not have any existing / future position in these sector(s)/stock(s)/issuer(s).

PUBLIC

Lump Sum Investment Performance									Inception Date
Fund / Benchmark (Value of Rs 10,000 Invested)	1 Year		3 Years		5 Years		Since Inception		
	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	
HSBC Asia Pacific (Ex Japan) Dividend Yield Fund - Regular	10945	9.47	10490	1.61	14677	7.98	18902	6.68	24-Feb-14
Scheme Benchmark (MSCI AC Asia Pacific ex Japan TRI)	10804	8.06	9801	-0.67	14990	8.44	20167	7.38	
Additional Benchmark (Nifty 50 TRI)	12130	21.36	16101	17.24	21220	16.25	39622	15.00	

PTP returns – Point to Point returns. | Past performance may or may not be sustained in the future and is not indicative of future results. The performance details provided herein are of Regular Plan - Growth Option. Returns on ₹10,000 are point-to-point returns for the specific time period, invested at the start of the period. The returns for the respective periods are provided as on last available NAV of December 2023 for the respective schemes. Returns for 1 year and above are Compounded Annualized. Returns for less than 1 year is Simple Annualized. Load is not taken into consideration for computation of performance. Different plans shall have a different expense structure. The expenses of the Direct Plan under the Scheme will be lower to the extent of the distribution expenses / commission charged to the Regular Plan. As per clause 5.9.1 of the SEBI Master Circular dated May 19, 2023, the scheme returns vis-à-vis the benchmark return (Total Return Index) shall be disclosed are provided from the date of allotment of units.

Post merger performance of the surviving scheme, arising out of merger of schemes with similar features, is computed as per the provisions of clause 13.4 of the SEBI Master Circular dated May 19, 2023, on Disclosure of Performance of Schemes post-merger using the weighted average performance of both transferor and transferee schemes. In other cases, performance is computed using the Applicable NAV of the surviving/continuing schemes.

SIP Performance - HSBC Asia Pacific (Ex Japan) Dividend Yield Fund - Regular						Inception Date: 24-Feb-14
Scheme Name & Benchmarks	1 Year	3 Years	5 Years	Since Inception		
Total amount invested (₹)	120000	360000	600000	1180000		
Market Value as on December 29, 2023 (₹)	126,614	376,112	685,758	1,657,826		
Scheme Returns (%)	10.51	2.88	5.30	6.74		
MSCI AC Asia Pacific ex Japan TRI - Scheme Benchmark (₹)	126,437	371,004	681,921	1,684,625		
MSCI AC Asia Pacific ex Japan TRI - Scheme Benchmark Returns (%)	10.23	1.97	5.08	7.05		
Nifty 50 TRI - Additional Benchmark (₹)	140,353	465,421	957,609	2,542,276		
Nifty 50 TRI - Additional Benchmark Returns (%)	33.34	17.50	18.82	14.96		

Past performance may or may not be sustained in the future and is not indicative of future results. For SIP returns, monthly investment of Rs. 10,000/- invested on the 1st day of every month has been considered. SIP Return are calculated on XIRR basis. IDCW are assumed to be reinvested and bonus is adjusted. Load is not taken into consideration.

Sonal Gupta is dedicated fund manager for investments in foreign securities by all the schemes of HSBC Mutual Fund.

Source: HSBC Mutual Fund, data as on 31 December 2023

[Click here](#) to check other funds performance managed by the Fund Manager

Product Label

Scheme name and Type of scheme	Scheme Risk-o-meter	Benchmark Risk-o-meter
<p>HSBC Asia Pacific (Ex Japan) Dividend Yield Fund</p> <p>An Open Ended Fund of Funds Scheme investing in HSBC Global Investments Fund - Asia Pacific Ex Japan Equity High Dividend Fund</p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> To create wealth over long-term Investment in equity and equity related securities of Asia Pacific countries (excluding Japan) through fund of funds route 	<p>Investors understand that their principal will be at Very High risk</p>	<p>Benchmark Index: MSCI AC Asia Pacific ex Japan TRI</p>

* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Note on Risk-o-meters: Riskometer is as on 31 December 2023, Any change in risk-o-meter shall be communicated by way of Notice cum Addendum and by way of an e-mail or SMS to unitholders of that particular scheme

Past performance may or may not be sustained in the future and is not indicative of future results. Source: HSBC Mutual Fund, data as on 31 December 2023

Disclaimer: This document has been prepared by HSBC Asset Management (India) Private Limited (HSBC) for information purposes only and should not be construed as i) an offer or recommendation to buy or sell securities, commodities, currencies or other investments referred to herein; or ii) an offer to sell or a solicitation or an offer for purchase of any of the funds of HSBC Mutual Fund; or iii) an investment research or investment advice. It does not have regard to specific investment objectives, financial situation and the particular needs of any specific person who may receive this document. Investors should seek personal and independent advice regarding the appropriateness of investing in any of the funds, securities, other investment or investment strategies that may have been discussed or referred herein and should understand that the views regarding future prospects may or may not be realized. In no event shall HSBC Mutual Fund/HSBC Asset management (India) Private Limited and / or its affiliates or any of their directors, trustees, officers and employees be liable for any direct, indirect, special, incidental or consequential damages arising out of the use of information / opinion herein.

This document is intended only for those who access it from within India and approved for distribution in Indian jurisdiction only. Distribution of this document to anyone (including investors, prospective investors or distributors) who are located outside India or foreign nationals residing in India, is strictly prohibited. Neither this document nor the units of HSBC Mutual Fund have been registered under Securities law/Regulations in any foreign jurisdiction. The distribution of this document in certain jurisdictions may be unlawful or restricted or totally prohibited and accordingly, persons who come into possession of this document are required to inform themselves about, and to observe, any such restrictions. If any person chooses to access this document from a jurisdiction other than India, then such person do so at his/her own risk and HSBC and its group companies will not be liable for any breach of local law or regulation that such person commits as a result of doing so.

© Copyright. HSBC Asset Management (India) Private Limited 2023, ALL RIGHTS RESERVED.
 HSBC Mutual Fund, 9-11th Floor, NESCO - IT Park Bldg. 3, Nesco Complex, Western Express Highway, Goregaon East, Mumbai 400063. Maharashtra.
 GST - 27AABCH0007N1ZS, Email: investor.line@mutualfunds.hsbc.co.in | Website: www.assetmanagement.hsbc.co/in

Mutual fund investments are subject to market risks, read all scheme related documents carefully.